

Internal Service Funds

Employee Benefits Fund

2006 Cash Balance Statement

In 1993, the employee benefits fund was established. A portion of this fund is dedicated to the administration of the risk management section of the Department of Human Resources. Previously, costs associated with the administration of this section were funded with general fund monies. However, these costs were transferred to the employee benefits internal service fund soon after its creation. This fund's primary source of revenue is the monthly insurance premium paid by each division for all participating employees of the city's insurance program. The transfer of risk management expenditures to this fund more equitably distributes costs associated with insurance activities to all city divisions and funds.

2006 EMPLOYEE BENEFITS FUND BALANCE SUMMARY	
Unencumbered Cash Balance (January 1, 2006)	\$ -
Plus Estimated 2006 Receipts	1,849,726
Total Estimated Available Resources	\$ 1,849,726
Less 2006 Recommended Operating Budget	(1,849,726)
Projected Available Balance (December 31, 2006)	\$ -

Revenue Notes:

- The figures cited above reflect only the revenues and expenditures associated with administration of the risk management section of the Department of Human Resources.
- Revenues and expenditures associated with the payment of claims are not represented in this section.

Print Services Fund

2006 Cash Balance Statement

The print and copy center operates as an internal service fund, with costs supported by billing user agencies for print and copy services provided. The print services fund is projected to begin 2006 with an unencumbered cash balance of \$50,360 and is projected to end the year with a balance of \$63,332. Revenue receipts for 2006 are projected to be at the same level as 2005 receipts.

2006 PRINT SERVICES FUND BALANCE SUMMARY		
Unencumbered Cash Balance (January 1, 2006)	\$	50,360
Plus Estimated 2006 Receipts		251,500
Plus Estimated Encumbrance Cancellations		2,000
Total Estimated Available Resources	\$	303,860
Less 2006 Recommended Operating Budget		(240,528)
Projected Available Balance (December 31, 2006)	\$	63,332

Land Acquisition Fund

2006 Cash Balance Statement

Revenues to the land acquisition fund are comprised of charges to other city divisions for land acquisition services. The 2006 revenue estimate is based on a projection of 4,218 hours of services billed at a rate of \$195 per hour. This hourly rate became effective November 5, 2005, and reflects the fact that the division reviews its rate periodically and increases it when necessary to fully recover costs. The land acquisition fund is projected to end 2006 with a positive unencumbered cash balance of \$78,115.

2006 LAND ACQUISITION FUND BALANCE SUMMARY	
Unencumbered Cash Balance (January 1, 2006)	\$ 33,039
Plus Estimated 2006 Receipts	822,500
Plus Estimated Encumbrance Cancellations	<u>15,000</u>
Total Estimated Available Resources	\$ 870,539
Less 2006 Recommended Operating Budget	(792,424)
Projected Available Balance (December 31, 2006)	<u><u>\$ 78,115</u></u>

Technology Services Fund

2006 Cash Balance Statement

The technology services fund is projected to begin 2006 with an unencumbered cash balance of \$568,374.

2006 TECHNOLOGY SERVICES FUND BALANCE SUMMARY	
Unencumbered Cash Balance (January 1, 2006)	\$ 568,374
Plus Estimated 2006 Receipts	23,815,037
Plus Estimated Encumbrance Cancellations	<u>50,000</u>
Total Estimated Available Resources	\$ 24,433,411
Less 2006 Recommended Operating Budget	(23,815,037)
Projected Available Balance (December 31, 2006)	<u><u>\$ 618,374</u></u>

Technology Services Fund Pro Forma Operating Statement

In order to fully recover the costs of information technology services in 2006, the Department of Technology will continue to use a charge-back methodology utilizing a rate model that was implemented in 2004. In conjunction with the model for cost recovery, the Department of Technology will continue to use a time and attendance reporting system for many of its services. In 2006, both the Department of Finance and Management and the Department of Technology are committed to upgrading the rate model to one which better recovers the true cost to provide services of a technology organization.

A pro forma operating statement for the ten-year period beginning in 2006 follows this section. It represents the Technology Director's Office and the Division of Information Service's revenues and expenditures for that period. The major assumptions included are as follows:

- Administrative, telephone services, mailroom, government television channel and interconnect costs in 2006 are built into the hourly rates for all services.
- Total billable hours for all services are projected to be 62,504 for 2006.
- Hourly rates budgeted for each service category are as follows: desktop support \$174.84; server system administration \$261.97; application maintenance \$166.79; account management \$184.93.
- Network connectivity is billed as a shared cost. Help desk and web services are billed on the basis of availability. Production services are based on volume.

- The Department of Technology, Information Services Division's internal service fund incurs debt service for capital expenditures such as terminal replacement, system migration, network expansion, the city's Oracle site license, enterprise-wide network management software, data center renovations, hardware upgrades and mass storage and other similar projects.
- Operating expenditures for 2006 and beyond are inflated at a blended rate of 3.8 percent per year, representing the overall effect of inflation of 12 percent for health insurance, 4 percent for personnel costs (exclusive of health insurance), and 3 percent for most other operating expenses.

Details related to operations for year 2006 and beyond are as follows:

Administration

Directs the business office activities to provide leadership, administrative and fiscal support to other functional areas of ISD.

Applications Programming

Supplies development, design, maintenance and enhancements to computer programs and systems.

Productions Service

Provides continuous operation and maintenance of the city's computer systems, related peripheral equipment, data communications systems and post report printing operations. Includes maintenance and support of city mainframe equipment, lease of and maintenance on high-volume printers and Unix software licensing and maintenance.

Help Desk

Centralized help desk offers first level, technical assistance to user agencies, citywide.

Desktop Support

Deploys and maintains the city's desktop computer systems in a manner that ensures high availability to city employees.

Systems Administration

Includes funding for enterprise system management, NT and Unix system administration, account maintenance and hardware and software upgrades. Systems administration budget includes Windows NT support.

Security

Provides enterprise security management through infrastructure security and intrusion detection. Security budget includes security maintenance and anti-virus software.

311 Support

Maintain systems and applications for the city's 311 call center.

Mailroom Services

Provides sorting and distribution of City of Columbus mail and funding for postage related to citywide mail processing.

Telephone Services

Coordinates telephone services, training and consulting for all city agencies.

GIS Section

Includes funding for contract project management, software maintenance, and in-house staff.

Metronet

Includes funding for operations and maintenance of the citywide fiber optic network. The metronet budget includes support for equipment maintenance, consulting expertise and in-house staff.

Data Center

Cost of operations including utilities, security and maintenance on the UPS and generator systems.

Oracle Services

Funding for enterprise licenses for Oracle software maintenance and support and Microsoft server licensing.

Account Management

Includes funding for information technology account management personnel and services to customer agencies. Account managers provide customer-specific business process expertise to city agencies.

Web Support

Maintain and support citywide Internet and intranet web applications. Provide Internet web site links for citizens and citywide departments.

Government Television Channel

Coordinates contracts for video programming services. Prepare scripts and provide editing services for production programs.

Interconnect

Design, oversight and installation of the city-owned fiber optic cabling plant. Provides preventive maintenance and repair of outside fiber optic.

Internal Service Funds

Information Services Division Pro Forma Operating Statement												
	Actual 2004	Estimated 2005	Proposed 2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Operating Revenue:												
Data Center Revenue	\$ 10,287,962	\$ 13,984,576	\$ 16,980,792	\$ 17,496,647	\$ 19,166,540	\$ 20,047,609	\$ 20,941,643	\$ 21,526,392	\$ 21,609,424	\$ 21,174,424	\$ 21,529,692	\$ 21,949,623
Postage Revenue	1,361,927	1,367,216	1,555,207	1,791,884	1,859,975	1,930,654	2,004,019	2,080,172	2,159,219	2,241,269	2,326,437	2,414,842
Direct Bill Items	1,978,736	4,290,593	5,279,038	5,479,641	5,687,868	5,904,007	6,128,359	6,361,237	6,602,964	6,853,876	7,114,324	7,384,668
Telephone Services Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	13,628,625	19,642,385	23,815,037	24,768,173	26,714,383	27,882,270	29,074,021	29,967,801	30,371,606	30,269,569	30,970,453	31,749,133
Worker Comp Refund	-	-	-	-	-	-	-	-	-	-	-	-
Insurance/Postage Refund	-	-	-	-	-	-	-	-	-	-	-	-
Encumbrance Cancellations	714,147	157,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Transfer/Non Billings	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	16,321,509	19,799,385	23,865,037	24,818,173	26,764,383	27,932,270	29,124,021	30,017,801	30,421,606	30,319,569	31,020,453	31,799,133
Beginning Fund Balance	169,216	411,374	568,374	618,374	668,374	718,374	768,374	818,374	868,374	918,374	968,374	1,018,374
Total Resources	16,490,725	20,210,759	24,433,411	25,436,547	27,432,757	28,650,644	29,892,396	30,836,175	31,289,981	31,237,943	31,988,827	32,817,507
Operating Expenses												
Personnel	8,189,230	8,598,783	-	-	-	-	-	-	-	-	-	-
Supplies	232,327	371,064	-	-	-	-	-	-	-	-	-	-
Services	4,080,600	4,721,448	-	-	-	-	-	-	-	-	-	-
Other	2,968	256	-	-	-	-	-	-	-	-	-	-
Equipment	34,975	61,869	-	-	-	-	-	-	-	-	-	-
Administration	-	-	2,009,121	2,085,468	2,164,715	2,246,975	2,332,360	2,420,989	2,512,987	2,608,480	2,707,603	2,810,491
Applications Programming	-	-	2,038,253	2,115,707	2,196,103	2,279,555	2,366,179	2,456,093	2,549,425	2,646,303	2,746,862	2,851,243
Computer Operations	-	-	1,512,486	1,569,960	1,629,619	1,691,544	1,755,823	1,822,544	1,891,801	1,963,690	2,038,310	2,115,766
Security	-	-	367,292	381,249	395,737	410,775	426,384	442,587	459,405	476,862	494,983	513,792
Help Desk	-	-	504,085	523,240	543,123	563,762	585,185	607,422	630,504	654,463	679,333	705,147
End User Computing	-	-	1,774,653	1,842,090	1,912,089	1,984,749	2,060,169	2,138,455	2,219,717	2,304,066	2,391,621	2,482,502
Systems Administration	-	-	1,425,740	1,479,918	1,536,155	1,594,529	1,655,121	1,718,016	1,783,300	1,851,066	1,921,406	1,994,420
Account Management	-	-	598,910	621,669	645,292	669,813	695,266	721,686	749,110	777,576	807,124	837,795
Oracle Services	-	-	497,000	515,886	535,490	555,838	576,960	598,885	621,642	645,265	669,785	695,237
Web Support	-	-	624,856	648,601	673,247	698,831	725,386	752,951	781,563	811,263	842,091	874,090
ColumbusStat	-	-	298,924	310,283	322,074	334,313	347,017	360,203	373,891	388,099	402,847	418,155
Metronet	-	-	994,376	1,032,162	1,071,384	1,112,097	1,154,357	1,198,222	1,243,755	1,291,017	1,340,076	1,390,999
Mailroom Services	-	-	1,726,285	1,791,884	1,859,975	1,930,654	2,004,019	2,080,172	2,159,219	2,241,269	2,326,437	2,414,842
Telephone Services	-	-	132,678	137,720	142,953	148,385	154,024	159,877	165,952	172,258	178,804	185,599
Interconnect	-	-	752,691	781,293	810,982	841,800	873,788	906,992	941,458	977,233	1,014,368	1,052,914
Government Television Channel	-	-	770,130	799,395	829,772	861,303	894,033	928,006	963,270	999,875	1,037,870	1,077,309
GIS Section	-	-	293,079	304,216	315,776	327,776	340,231	353,160	366,580	380,510	394,969	409,978
Technology Director's Office	746,019	861,933	918,663	953,572	989,808	1,027,421	1,066,463	1,106,988	1,149,054	1,192,718	1,238,041	1,285,087
Direct Bill Items to Other Fund	1,978,736	4,290,593	5,279,038	5,479,641	5,687,868	5,904,007	6,128,359	6,361,237	6,602,964	6,853,876	7,114,324	7,384,668
Net Change in Encumbrances	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	15,264,856	18,905,946	22,518,260	23,373,954	24,262,164	25,184,126	26,141,123	27,134,486	28,165,596	29,235,889	30,346,853	31,500,033
Debt Service	814,495	736,439	1,296,777	1,394,219	2,452,219	2,698,144	2,932,898	2,833,315	2,206,010	1,033,680	623,600	249,100
Total Expenses	16,079,351	19,642,385	23,815,037	24,768,173	26,714,383	27,882,270	29,074,021	29,967,801	30,371,606	30,269,569	30,970,453	31,749,133
Annual Surplus/Deficit	242,157	157,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Ending Fund Balance	\$ 411,374	\$ 568,374	\$ 618,374	\$ 668,374	\$ 718,374	\$ 768,374	\$ 818,374	\$ 868,374	\$ 918,374	\$ 968,374	\$ 1,018,374	\$ 1,068,374

Fleet Management Fund

2006 Cash Balance Statement

The fleet management services fund is projected to end 2005 with a positive unencumbered cash balance of \$20,606 and end 2006 with a positive unencumbered cash balance of \$20,554.

2006 FLEET MANAGEMENT SERVICES FUND BALANCE SUMMARY	
Unencumbered Cash Balance (January 1, 2006)	\$ 20,606
Plus Estimated 2006 Receipts	26,322,597
Plus Estimated Encumbrance Cancellations	<u>100,000</u>
Total Estimated Available Resources	\$ 26,443,203
Less 2006 Recommended Operating Budget	(26,422,649)
Projected Available Balance (December 31, 2006)	<u><u>\$ 20,554</u></u>

2006 Revenue Summary

The Fleet Management Division recovers its costs by billing user divisions for services provided. The revenue includes a \$54 per hour labor rate, a 22 percent mark-up on parts, a 5 percent mark-up on commercial services and credit card fuel purchases, and a fuel overhead rate of \$.24 per gallon for bulk fuel.

Revenues, including the unencumbered cash balance and encumbrance cancellations, will total \$26,443,203 in 2006, an increase of 10.4 percent over the 2005 projection.

FLEET MANAGEMENT REVENUE BY SOURCE AND YEAR HISTORICAL AND PROJECTED 2003-2006				
REVENUE SUMMARY	2003 Actual	2004 Actual	2005 Estimated	2006 Proposed
Public Safety	\$ 7,957,845	\$ 8,388,302	\$ 10,541,195	\$ 11,105,609
Refuse Collection	5,382,256	4,995,624	5,972,007	6,459,997
Other General Fund	1,487,828	202,363	1,161,713	1,416,226
Other Funds	4,378,908	5,783,495	6,218,279	7,271,292
Refunds/Miscellaneous	63,255	67,742	99,178	69,473
Insurance Adjustment	300,200	-	-	-
Unencumbered Cash Balance	343,334	214,105	(121,411)	20,606
Encumbrance Cancellations	212,710	124,405	84,240	100,000
Bond Proceeds	-	-	-	-
TOTAL RESOURCES	\$ 20,126,336	\$ 19,776,036	\$ 23,955,201	\$ 26,443,203
PERCENT CHANGE		-1.74%	21.13%	10.39%

Fleet Management Services Fund Pro Forma Operating Statement

A pro forma operating statement for the ten-year period beginning in 2006 is presented on the following pages. It represents the Division of Fleet Management's projected revenues and expenditures for that period, given certain assumptions. This document is essential in planning recovery rate percentage increases or decreases and for maintaining an acceptable end of year balance. The major assumptions included in this pro forma are as follows:

- Operations and maintenance expenses, excluding health insurance, are inflated at three percent per annum. Health insurance costs will grow by 12 percent after 2006.
- Debt service principal and interest have been broken out separately. The debt service principal and interest payments represent reimbursement to the special income tax fund for the retirement of bonds issued to design and construct the division's new facility.
- Debt service payments for design and architectural services for the new fleet facility began in 1999. An additional \$20,000,000 in debt is projected to be issued in 2005 for further costs associated with design services, land acquisition and construction costs for the facility.
- The recovery rates in the pro forma are adjusted as necessary in order for the division to maintain positive year-end unencumbered cash balances. This pro forma indicates a 6.5 percent increase in revenues in 2007 and a 3.1 percent increase in 2008 as necessary to meet that goal. Revenues in each of the years thereafter are adjusted to maintain a positive balance in the fund.

DIVISION OF FLEET MANAGEMENT												
PRO FORMA OPERATING STATEMENT												
REVENUE SOURCE	Actual 2004	Estimated 2005	Proposed 2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
MAINTENANCE SERVICE CHARGES												
Public Safety	\$ 8,388,302	\$ 10,541,195	\$ 11,105,609	\$ 11,827,474	\$ 12,194,125	\$ 12,559,949	\$ 12,949,307	\$ 13,363,685	\$ 13,804,687	\$ 14,267,144	\$ 14,759,360	\$ 15,268,558
Refuse Collection	4,995,624	5,972,007	6,459,997	6,879,897	7,093,174	7,305,969	7,532,454	7,773,492	8,030,018	8,299,023	8,585,340	8,881,534
Other General Fund Divisions	202,363	1,161,713	1,416,226	1,508,281	1,555,037	1,601,689	1,651,341	1,704,184	1,760,422	1,819,396	1,882,165	1,947,100
Other Funds	5,783,495	6,218,279	7,271,292	7,743,926	7,983,988	8,223,507	8,478,436	8,749,746	9,038,488	9,341,277	9,663,551	9,996,944
State Highway Fuel Tax Refund	51,327	94,705	60,000	50,000	50,000	50,000	95,000	95,000	95,000	95,000	95,000	95,000
Miscellaneous Revenues	16,415	4,473	9,473	9,757	10,050	10,351	10,662	10,982	11,311	11,651	12,000	12,360
Insurance Refund												
Bond Proceeds												
TOTAL REVENUE	19,437,525	23,992,372	26,322,597	28,019,334	28,886,374	29,751,465	30,717,200	31,697,089	32,739,925	33,833,491	34,997,416	36,201,495
Beginning Fund Balance	214,107	(121,411)	20,606	20,554	2,636	18,944	1,578	7,361	3,625	3,049	2,276	12,000
Encumbrance Cancellations	124,405	84,240	100,000	250,000	275,000	275,000	275,000	275,000	275,001	275,002	275,002	275,002
TOTAL RESOURCES	19,776,036	23,955,201	26,443,203	28,289,888	29,164,009	30,045,409	30,993,778	31,979,450	33,018,551	34,111,541	35,274,694	36,488,497
EXPENDITURES												
Operations and Maintenance												
Personnel Services	6,207,777	6,546,686	6,964,428	7,173,361	7,388,562	7,610,219	7,838,525	8,073,681	8,315,891	8,565,368	8,822,329	9,086,999
Health Insurance	875,883	998,300	1,131,969	1,267,805	1,419,942	1,590,335	1,781,175	1,994,916	2,234,306	2,502,423	2,802,714	3,139,039
Materials & Supplies	9,496,906	12,340,480	13,285,616	13,684,184	14,094,710	14,517,551	14,953,078	15,401,670	15,863,720	16,339,632	16,829,821	17,334,715
Services	2,836,899	3,290,320	3,471,601	3,575,749	3,683,022	3,793,512	3,907,318	4,024,537	4,145,273	4,269,631	4,397,720	4,529,652
Other Disbursements	250	19,705	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Capital	-	7,260	130,000	133,900	137,917	142,055	146,316	150,706	155,227	159,884	164,680	169,621
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
Total Operations & Maintenance	19,417,715	23,202,751	24,988,614	25,840,150	26,729,457	27,659,135	28,632,039	29,651,306	30,720,388	31,843,087	33,023,598	34,266,550
Director's Office	428,319	456,647	485,622	500,191	515,196	530,652	546,572	562,969	579,858	597,254	615,171	633,627
Debt Service												
Principal	30,000	255,285	30,000	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000
Interest	21,413	19,913	918,413	916,913	870,413	824,044	777,806	731,550	685,256	638,925	593,925	548,925
Total Debt Service	51,413	275,198	948,413	1,946,913	1,900,413	1,854,044	1,807,806	1,761,550	1,715,256	1,668,925	1,623,925	1,578,925
TOTAL EXPENSES	19,897,447	23,934,596	26,422,649	28,287,253	29,145,065	30,043,831	30,986,417	31,975,825	33,015,502	34,109,266	35,262,694	36,479,101
ENDING FUND BALANCE	\$ (121,411)	\$ 20,606	\$ 20,554	\$ 2,636	\$ 18,944	\$ 1,578	\$ 7,361	\$ 3,625	\$ 3,049	\$ 2,276	\$ 12,000	\$ 9,396

